

## **Complete Analysis Report**

# Mortgage Analysis Report

## Purchase Value

Purchase Price:	\$112,000.00	Assessed Value:	\$0.00
		Last Sale Price:	\$0.00

## Mortgages

	<b>First Mortgage</b>
Mortgage Type:	<b>Interest Only</b>
Amount:	<b>\$78,400.00</b>
Down Payment:	<b>\$0.00</b>
Interest Only Term:	<b>5 Years</b>
Interest Only APR:	<b>10.50%</b>
Fixed Interest Term:	
Fixed Interest APR:	
Extra Payment Frequency:	
Extra Payment Amount:	
Bi-Weekly Payments:	
Effective Term:	<b>60 Months</b>
Monthly I.O. Payment	<b>\$686.00</b>
Monthly Fixed APR Pmt:	
Total Interest:	<b>\$41,160.00</b>
Total Paid:	<b>\$41,160.00</b>

## Additional Expenses

Amount Of Default:	<b>\$0.00</b>
Accrued Interest:	<b>\$0.00</b>
Other Fees:	<b>\$0.00</b>

## Closing Costs

<b>Seller Pays Closing Costs: Some</b>		
Points:	<b>0.00%</b>	<b>\$0.00</b>
Administration Fee:		<b>\$336.00</b>
Application Fee:		<b>\$205.00</b>
Commitment Fee:		<b>\$498.00</b>
Document Preparation:		<b>\$194.00</b>
Funding Fee:		<b>\$228.00</b>
Mortgage Broker Fee:		<b>\$839.00</b>
Processing:		<b>\$320.00</b>
Tax Service:		<b>\$73.00</b>
Underwriting:		<b>\$269.00</b>
Appraisal:		<b>\$327.00</b>
Attorney or Settlement:		<b>\$445.00</b>
Credit Report:		<b>\$29.00</b>
Flood Certification:		<b>\$17.00</b>
Pest & Other:		<b>\$68.00</b>
Survey:		<b>\$174.00</b>
Title Insurance:		<b>\$605.00</b>
Title Search:		<b>\$200.00</b>
Recording Fee:		<b>\$76.00</b>
Taxes:		<b>\$1,339.00</b>
Other Fees or Costs:		<b>\$0.00</b>
<b>Total:</b>		<b>\$3,052.00</b>

## Rehab/Improvements Analysis Report

## Improvements

Kitchen:	\$1,000.00	Roof:	\$0.00	Electrical:	\$0.00	Driveway:	\$0.00
Exterior:	\$0.00	Chimney:	\$0.00	Wall:	\$0.00	Garage:	\$0.00
Bathroom(s):	\$0.00	Gutter:	\$0.00	Ceiling:	\$0.00	Irrigation/Sprinklers:	\$0.00
Window(s):	\$500.00	Cladding:	\$0.00	Fireplace:	\$0.00	Landscaping:	\$0.00
Door(s):	\$0.00	Deck:	\$0.00	Skylight:	\$0.00	Equipment:	\$0.00
Carpet:	\$0.00	Porch:	\$0.00	Foundation:	\$0.00	Pool/Spa Repair:	\$0.00
Interior Paint:	\$0.00	Heating:	\$0.00	Basement:	\$0.00	Other:	\$0.00
Exterior Paint:	\$0.00	AC/Heat Pump:	\$0.00	Attic:	\$0.00		
Flooring:	\$1,000.00	Plumbing:	\$0.00	Alarm:	\$0.00		

Total Improvements Expenses: **\$2,500.00**

Rental Analysis Report

Unit Type	Qty	Rent/Mo	SqFt	\$/SqFt	Occupancy %	Annual % Increase	Average Monthly Rent
1bd/1ba	3	\$445.00	550	\$0.81	100.00%	2.50%	\$1,335.00
1bd/1ba large studio	2	\$400.00	420	\$0.95	0.00%	2.50%	\$0.00
1bd/1ba medium studio	1	\$365.00	350	\$1.04	100.00%	2.50%	\$365.00
1 dorm room type	1	\$150.00	150	\$1.00	0.00%	2.50%	\$0.00
2bd/1ba	4	\$537.00	650	\$0.83	100.00%	4.00%	\$2,148.00

Miscellaneous Income			Annual Income Increase	
	Monthly	/ Annually	Type:	Percentage
Laundry Room:	\$0.00	\$0.00	Amount:	0.00%
Vending Machines:	\$0.00	\$0.00		
Late Charges:	\$0.00	\$0.00	Summary	
Deposit Forfeitures:	\$0.00	\$0.00	Total Gross Monthly Income:	\$3,848.00
Section 8 Income:	\$0.00	\$0.00	Property Management Fee:	8.00%
Income From Interest:	\$0.00	\$0.00	Leasing Commissions:	0.00%
Other Income:	\$0.00	\$0.00	Leasing Commissions (First Year):	\$0.00
			Total Net Monthly Income:	\$3,540.16

# Expenses Analysis Report

## Operating Expenses

	Monthly	/	Annually		Monthly	/	Annually
Property Taxes:	\$215.00		\$2,580.00	Trash:	\$80.00		\$960.00
Advertising:	\$0.00		\$0.00	Accounting:	\$150.00		\$1,800.00
Janitorial Service:	\$0.00		\$0.00	Association Fees:	\$0.00		\$0.00
Legal:	\$62.00		\$744.00	Landscaping:	\$0.00		\$0.00
Licenses:	\$0.00		\$0.00	Fire Insurance:	\$60.00		\$720.00
Repairs And Maintenance:	\$200.00		\$2,400.00	Flood Insurance:	\$0.00		\$0.00
Supplies:	\$0.00		\$0.00	Mortgage Insurance:	\$0.00		\$0.00
Electricity:	\$200.00		\$2,400.00	Liability Insurance:	\$60.00		\$720.00
Gas:	\$0.00		\$0.00	Workmen's Comp Insurance:	\$0.00		\$0.00
Sewer And Water:	\$200.00		\$2,400.00	Payroll:	\$0.00		\$0.00
Telephone:	\$0.00		\$0.00	Pool/Spa Service:	\$0.00		\$0.00
Other Utilities:	\$0.00		\$0.00	Miscellaneous/Reserves:	\$300.00		\$3,600.00

Apply Operating Expenses Per Unit: No

## Yearly Expenses Increase

Type:	Percentage
Amount:	0.00%

## Summary

Total Monthly Operating Expenses:	\$1,527.00
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# Rehab/Improvements Analysis Report

## Tax Rates

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Capital Gains Tax Rate:	15.00%
State Income Tax Rate:	0.00%
Federal Income Tax Rate:	25.00%

## Depreciation

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Type: **Fixed Dollar Amount: \$3,000.00, Depreciable Years: 5.00**  
Method: **Straightline**

## Analysis

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First Payment Date	06/05/2014
Length	5 Years

## Property Value Increase

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Annual Market Value Increase Rate:	6.00%
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## Sales Cost Rate

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Sales Cost Rate:	0.00%
Type:	Percentage

## Property Value Basis

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Purchase Price:	\$112,000.00
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# Cash Flow

## 5 Year Analysis

Beginning 06/05/14

<b>Purchase Price:</b>	\$112,000.00	
<b>Down Payment:</b>	\$0.00	<b>Rental Increase:</b> 0.00%
<b>Closing Costs:</b>	\$3,052.00	<b>Inflation:</b> 3.00%
<b>Additional Up-Front Expenses:</b>	\$0.00	<b>State Tax:</b> 0.00%
<b>Initial Capital Improvements:</b>	\$2,500.00	<b>Federal Tax:</b> 25.00%

1st Year	2nd Year	3rd Year	4th Year	5th Year
June 2015	June 2016	June 2017	June 2018	June 2019

### Details

#### Rental Income

Rental Income	\$57,576.00	\$59,402.04	\$61,289.20	\$63,239.62	\$65,255.52
Section 8	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Leasing Commissions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Rental Income</b>	<b>\$57,576.00</b>	<b>\$59,402.04</b>	<b>\$61,289.20</b>	<b>\$63,239.62</b>	<b>\$65,255.52</b>

#### Vacancy Reduction

Vacancy	(\$11,400.00)	(\$11,685.00)	(\$11,977.13)	(\$12,276.55)	(\$12,583.47)
<b>Total Vacancy Reduction</b>	<b>(\$11,400.00)</b>	<b>(\$11,685.00)</b>	<b>(\$11,977.13)</b>	<b>(\$12,276.55)</b>	<b>(\$12,583.47)</b>

#### Other Revenue

Deposit Forfeitures	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Income From Interest	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Late Charges	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Laundry Room	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Vending Machines	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Other Revenue</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

#### Administrative Expenses

Advertising	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legal	(\$744.00)	(\$744.00)	(\$744.00)	(\$744.00)	(\$744.00)
Accounting	(\$1,800.00)	(\$1,800.00)	(\$1,800.00)	(\$1,800.00)	(\$1,800.00)
Licenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Payroll	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Administrative Expenses</b>	<b>(\$2,544.00)</b>	<b>(\$2,544.00)</b>	<b>(\$2,544.00)</b>	<b>(\$2,544.00)</b>	<b>(\$2,544.00)</b>

#### Management Expenses

Management Fees	(\$3,694.08)	(\$3,817.36)	(\$3,944.97)	(\$4,077.05)	(\$4,213.76)
Association Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Management Expenses</b>	<b>(\$3,694.08)</b>	<b>(\$3,817.36)</b>	<b>(\$3,944.97)</b>	<b>(\$4,077.05)</b>	<b>(\$4,213.76)</b>

#### Utilities Expenses

Electricity	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)
Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sewer And Water	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)
Other Utilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Utilities Expenses</b>	<b>(\$4,800.00)</b>	<b>(\$4,800.00)</b>	<b>(\$4,800.00)</b>	<b>(\$4,800.00)</b>	<b>(\$4,800.00)</b>

# Cash Flow

## 5 Year Analysis

Beginning 06/05/14

<b>Purchase Price:</b>	\$112,000.00	
<b>Down Payment:</b>	\$0.00	<b>Rental Increase:</b> 0.00%
<b>Closing Costs:</b>	\$3,052.00	<b>Inflation:</b> 3.00%
<b>Additional Up-Front Expenses:</b>	\$0.00	<b>State Tax:</b> 0.00%
<b>Initial Capital Improvements:</b>	\$2,500.00	<b>Federal Tax:</b> 25.00%

1st Year	2nd Year	3rd Year	4th Year	5th Year
June 2015	June 2016	June 2017	June 2018	June 2019

### Details (Continued)

#### Insurance Expenses

Fire	(\$720.00)	(\$720.00)	(\$720.00)	(\$720.00)	(\$720.00)
Flood	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mortgage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Property & Liability	(\$720.00)	(\$720.00)	(\$720.00)	(\$720.00)	(\$720.00)
Workmen's Comp	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Insurance Expenses</b>	<b>(\$1,440.00)</b>	<b>(\$1,440.00)</b>	<b>(\$1,440.00)</b>	<b>(\$1,440.00)</b>	<b>(\$1,440.00)</b>

#### Operating & Maintenance Expenses

Telephone	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Janitorial Service	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Landscaping	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pool & Spa Service	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Property Taxes	(\$2,580.00)	(\$2,580.00)	(\$2,580.00)	(\$2,580.00)	(\$2,580.00)
Repairs And Maintenance	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)	(\$2,400.00)
Trash	(\$960.00)	(\$960.00)	(\$960.00)	(\$960.00)	(\$960.00)
Miscellaneous	(\$3,600.00)	(\$3,600.00)	(\$3,600.00)	(\$3,600.00)	(\$3,600.00)
<b>Total Operating &amp; Maint Expenses</b>	<b>(\$9,540.00)</b>	<b>(\$9,540.00)</b>	<b>(\$9,540.00)</b>	<b>(\$9,540.00)</b>	<b>(\$9,540.00)</b>

### Summary

Gross Scheduled & Additional Income	\$57,576.00	\$59,402.04	\$61,289.20	\$63,239.62	\$65,255.52
Vacancy & Leasing Commissions	(\$11,400.00)	(\$11,685.00)	(\$11,977.13)	(\$12,276.55)	(\$12,583.47)
Gross Operating Income	\$46,176.00	\$47,717.04	\$49,312.07	\$50,963.06	\$52,672.06
Operating Expenses	(\$22,018.08)	(\$22,141.36)	(\$22,268.97)	(\$22,401.05)	(\$22,537.76)
Net Operating Income	\$24,157.92	\$25,575.68	\$27,043.11	\$28,562.02	\$30,134.29
Capitalization Rate Of Return	--	--	--	--	--
Annual Principal Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Annual Interest Payments	(\$8,232.00)	(\$8,232.00)	(\$8,232.00)	(\$8,232.00)	(\$8,232.00)
Initial Capital Improvements	(\$2,500.00)	--	--	--	--
Down Payment(s)	\$0.00	--	--	--	--
Closing Costs & Additional Expenses	(\$3,052.00)	--	--	--	--
Cash Flow Before Taxes	\$13,425.92	\$17,343.68	\$18,811.11	\$20,330.02	\$21,902.29
Cash Flow Before Taxes (Cumulative)	\$13,425.92	\$30,769.60	\$49,580.70	\$69,910.72	\$91,813.01
Cash On Cash Return (Pre-Tax)	241.821%	554.207%	893.024%	1,259.199%	1,653.693%
Depreciation (Property & Improvements)	(\$1,100.00)	(\$1,100.00)	(\$1,100.00)	(\$1,100.00)	(\$1,100.00)
Taxable Income/Loss	\$14,825.92	\$16,243.68	\$17,711.11	\$19,230.02	\$20,802.29
Total Tax Cost/Credit	(\$3,706.48)	(\$4,060.92)	(\$4,427.78)	(\$4,807.50)	(\$5,200.57)
Cash Flow After Taxes	\$9,719.44	\$13,282.76	\$14,383.33	\$15,522.51	\$16,701.72
Cash Flow After Taxes (Cumulative)	\$9,719.44	\$23,002.20	\$37,385.53	\$52,908.04	\$69,609.76



# Taxes And Deductions

## 5 Year Analysis

Beginning 06/05/14

State Tax Rate:	0.00%
Federal Tax Rate:	25.00%
Operating Expenses Increase:	0.00%
Initial Capital Improvements:	\$2,500.00
Property Depreciable Amount:	\$3,000.00
Depreciable Years:	5
Depreciation Method:	Straightline

1st Year	2nd Year	3rd Year	4th Year	5th Year
June 2015	June 2016	June 2017	June 2018	June 2019

### Tax Details

Gross Operating Income	\$46,176.00	\$47,717.04	\$49,312.07	\$50,963.06	\$52,672.06
<b>Operating Expenses</b>					
Monthly Operating Expenses	(\$22,018.08)	(\$22,141.36)	(\$22,268.97)	(\$22,401.05)	(\$22,537.76)
<i>Total Operating Expense Deductions</i>	<i>(\$22,018.08)</i>	<i>(\$22,141.36)</i>	<i>(\$22,268.97)</i>	<i>(\$22,401.05)</i>	<i>(\$22,537.76)</i>
Net Operating Income	\$24,157.92	\$25,575.68	\$27,043.11	\$28,562.02	\$30,134.29
<b>Depreciation</b>					
Building Structure	(\$600.00)	(\$600.00)	(\$600.00)	(\$600.00)	(\$600.00)
Capital Improvements	(\$500.00)	(\$500.00)	(\$500.00)	(\$500.00)	(\$500.00)
<i>Total Depreciation Deductions</i>	<i>(\$1,100.00)</i>	<i>(\$1,100.00)</i>	<i>(\$1,100.00)</i>	<i>(\$1,100.00)</i>	<i>(\$1,100.00)</i>
<b>Mortgages</b>					
First Mortgage Interest	(\$8,232.00)	(\$8,232.00)	(\$8,232.00)	(\$8,232.00)	(\$8,232.00)
Second Mortgage Interest	--	--	--	--	--
<i>Total Mortgage Deductions</i>	<i>(\$8,232.00)</i>	<i>(\$8,232.00)</i>	<i>(\$8,232.00)</i>	<i>(\$8,232.00)</i>	<i>(\$8,232.00)</i>
Taxable Income/Loss	\$14,825.92	\$16,243.68	\$17,711.11	\$19,230.02	\$20,802.29
<b>Taxes</b>					
State Tax	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Federal Tax	(\$3,706.48)	(\$4,060.92)	(\$4,427.78)	(\$4,807.50)	(\$5,200.57)
<i>Total Tax</i>	<i>(\$3,706.48)</i>	<i>(\$4,060.92)</i>	<i>(\$4,427.78)</i>	<i>(\$4,807.50)</i>	<i>(\$5,200.57)</i>

### Tax Summary

Net Operating Income	\$24,157.92	\$25,575.68	\$27,043.11	\$28,562.02	\$30,134.29
Total Deductions	(\$9,332.00)	(\$9,332.00)	(\$9,332.00)	(\$9,332.00)	(\$9,332.00)
Taxable Income Loss	\$14,825.92	\$16,243.68	\$17,711.11	\$19,230.02	\$20,802.29
Total Tax Cost/Savings	(\$3,706.48)	(\$4,060.92)	(\$4,427.78)	(\$4,807.50)	(\$5,200.57)
Cash Before Taxes	\$13,425.92	\$17,343.68	\$18,811.11	\$20,330.02	\$21,902.29
Net Income	\$9,719.44	\$13,282.76	\$14,383.33	\$15,522.51	\$16,701.72

# Property Sale

## 5 Year Analysis

Beginning 06/05/14

<b>Purchase Price:</b>	\$112,000.00
<b>Initial Capital Improvements:</b>	\$2,500.00
<b>Total Closing Costs:</b>	\$3,052.00
<b>Capital Gains Rate:</b>	15.00%
<b>Property Depreciable Amount:</b>	\$3,000.00
<b>Depreciable Years:</b>	5
<b>Depreciation Method:</b>	Straightline

1st Year	2nd Year	3rd Year	4th Year	5th Year
June 2015	June 2016	June 2017	June 2018	June 2019

### Sale Details

#### Tax Basis

Purchase Price	\$112,000.00	\$112,000.00	\$112,000.00	\$112,000.00	\$112,000.00
Capital Improvements	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
Depreciation	(\$1,100.00)	(\$2,200.00)	(\$3,300.00)	(\$4,400.00)	(\$5,500.00)
<i>Adjusted Tax Basis</i>	<i>\$113,400.00</i>	<i>\$112,300.00</i>	<i>\$111,200.00</i>	<i>\$110,100.00</i>	<i>\$109,000.00</i>

#### Expenses

Up-Front Cash	(\$33,600.00)	(\$33,600.00)	(\$33,600.00)	(\$33,600.00)	(\$33,600.00)
Closing Costs/Additional Expenses	(\$3,052.00)	(\$3,052.00)	(\$3,052.00)	(\$3,052.00)	(\$3,052.00)
Capital Improvements	(\$2,500.00)	(\$2,500.00)	(\$2,500.00)	(\$2,500.00)	(\$2,500.00)
Down Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
First Mortgage Balance	(\$78,400.00)	(\$78,400.00)	(\$78,400.00)	(\$78,400.00)	(\$78,400.00)
Second Mortgage Balance	--	--	--	--	--
Property Sale Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Total Expenses</i>	<i>(\$117,552.00)</i>	<i>(\$117,552.00)</i>	<i>(\$117,552.00)</i>	<i>(\$117,552.00)</i>	<i>(\$117,552.00)</i>
<i>Total Exchange Expenses</i>	<i>(\$3,052.00)</i>	<i>(\$3,052.00)</i>	<i>(\$3,052.00)</i>	<i>(\$3,052.00)</i>	<i>(\$3,052.00)</i>

#### Taxes

Taxable Gain	(\$4,452.00)	\$3,368.00	\$11,591.20	\$20,241.79	\$29,345.42
Depreciation Recovery Tax	(\$275.00)	(\$550.00)	(\$825.00)	(\$1,100.00)	(\$1,375.00)
Capital Gains Tax	\$832.80	(\$175.20)	(\$1,243.68)	(\$2,376.27)	(\$3,576.81)
<i>Total Tax Liability</i>	<i>\$557.80</i>	<i>(\$725.20)</i>	<i>(\$2,068.68)</i>	<i>(\$3,476.27)</i>	<i>(\$4,951.81)</i>

#### Monthly Income And Expenses

Principal Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Payments	(\$8,232.00)	(\$16,464.00)	(\$24,696.00)	(\$32,928.00)	(\$41,160.00)
Operating Expenses	(\$22,018.08)	(\$44,159.44)	(\$66,428.41)	(\$88,829.45)	(\$111,367.22)
Gross Operating Income	\$57,576.00	\$116,978.04	\$178,267.24	\$241,506.85	\$306,762.38
Income Tax	(\$3,706.48)	(\$7,767.40)	(\$12,195.18)	(\$17,002.68)	(\$22,203.25)
<i>Net Income Profit/Loss</i>	<i>\$12,219.44</i>	<i>\$25,502.20</i>	<i>\$39,885.53</i>	<i>\$55,408.04</i>	<i>\$72,109.76</i>

### Summary

Sale Price	\$112,000.00	\$118,720.00	\$125,843.20	\$133,393.79	\$141,397.42
Adjusted Tax Basis	\$113,400.00	\$112,300.00	\$111,200.00	\$110,100.00	\$109,000.00
Taxable Gain	(\$4,452.00)	\$3,368.00	\$11,591.20	\$20,241.79	\$29,345.42
Total Tax Liability	\$557.80	(\$725.20)	(\$2,068.68)	(\$3,476.27)	(\$4,951.81)
Total Expenses	(\$117,552.00)	(\$117,552.00)	(\$117,552.00)	(\$117,552.00)	(\$117,552.00)
Net Sale Profit/Loss	(\$4,994.20)	\$442.80	\$6,222.52	\$12,365.52	\$18,893.61
Net Income Profit/Loss	\$12,219.44	\$25,502.20	\$39,885.53	\$55,408.04	\$72,109.76
Net Profit/Loss	\$7,225.24	\$25,945.00	\$46,108.05	\$67,773.56	\$91,003.37